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WORLD NEWS DIGEST WITH INDEX

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Week in Headlines

International

U.S. tested first air-to-air atomic-armed rocket.

Eisenhower indorsed A-weapons stockpile for NATO members.

Britain intervened with jets to put down Oman rebellion.

Egypt permitted Israeli cargo through Suez Canal but seized Israeli seaman on Danish vessel.

French Govt. won police powers to fight Algerian terrorism.

United States

Senate cut civil right bill down to right-to-vote law.

Kasper & 6 segregationists convicted by Soutehrn jury.

House rejected ban on foreign trials for GIs, cut foreign aid.

Teamsters Vice Pres. Hoffa acquitted of bribery-conspiracy.

WORLD AFFAIRS

NUCLEAR WEAPONS

U.S. Tests A-Rocket. The first U.S. air-to-air rocket to be tested with a nuclear warhead was detonated July 19 over the Atomic Energy Comm.'s Yucca Flat, Nev. proving grounds. Launched from an F-89H Scorpion jet fighter flown by U.S. Air Force Col. Eric Hutchison, the MB-1 "Genie" rocket exploded at an estimated altitude of 3 mi., leaving a doughnut-shaped cloud that drifted to 40,000 ft. The rocket, in distribution among USAF Air Defense Cmnd. units, was said to have a yield of one or 2 kilotons. 5 USAF officers standing beneath the detonation point reported little blast or radioactive fallout. The test was the 8th in the current Nevada series. [See p. 225E3; Vol. XVI, 165C2]

British Warhead Seen. British Defense Min. Duncan Sandys told the House of Commons July 23 that Britain already was capable of manufacturing both megaton nuclear bombs and nuclear warheads for ballistic rockets. Sandys, defending continued British nuclear tests, said that "comparatively few" more shots would enable scientists to reduce fission requirements for these weapons and bring nearer the minimum nuclear weapons stockpile considered adequate for Britain. [See p. 194G1]

Dulles Warns on A-Control. State Secy. John Foster Dulles, in a major restatement of U.S. disarmament policy, warned July 22 that "the whole world faces a grim future" under the constant threat of atomic war unless agreement were reached soon on nuclear weapons controls. Dulles, speaking on a nationwide radio-TV hookup, said: "Already large nuclear weapons are so plentiful that their use in a general war could threaten life anywhere on the globe. And, as matters are going, the time will come when the pettiest & most irresponsible dictator could get hold of weapons that would threaten immense harm." [See p. 225F2-D3]

Warning that "time is not unlimited," Dulles called on the USSR to give "convincing proof" of its intention to negotiate an acceptable disarmament agreement or face continued U.S. nuclear weapons tests & strengthening of U.S. military alliances. "We cannot," he asserted, "rely on promises" which "have not proved dependable." Dulles reiterated that "it is not practical to assure the abolition of nuclear weapons. The scientists tell us that there is no known method of detecting & surely accounting for the fissionable material already produced." "Therefore," he said, "we must make our plans on the assumption that the nations which now have nuclear weapons would use them in war."

Dulles, conceding that "some slight progress" had been made in UN Disarmament Subcom. talks in London, asserted that a first-stage disarmament accord could halt the threat of nuclear war by: (1) reducing the risk of surprise attack through creation of an inspection & control system; (2) ending production of fission materials for weapons use; (3) limiting standing forces & reducing conventional armaments; (4) controlling development of such weapons as the intercontinental ballistic missile. Dulles' speech had been approved in advance by Pres. Eisenhower. [See p. 201D2]

(State Undersecy. Christian A. Herter told the annual dinner of the Amer. Bar Assn. in New York July 15 that continued "over-armament" could produce "a kind of 'trigger-happy' tension which any accident could set off.") [See p. 213E2]

Adding that the U.S. would continue to work toward German unity & freeing of nations "now subject to Soviet colonialism," Dulles said: "We are determined to do nothing which might endanger the security of Western Europe or, in the name of disarmament, seem to sanction the partition of Germany & the suppression of human liberty." [See pp. 225F1, 209E-D3]

'Ike' Backs NATO A-Arms. Pres. Eisenhower indorsed July 17, as "exactly logical," State Secy. Dulles' disclosure the previous day that the U.S. was studying ways to create a nuclear weapons stockpile in Europe for use by NATO members. Mr. Eisenhower asserted that, if subjected to nuclear attack, the U.S.' NATO allies "ought to have the right, the opportunity & the capability of responding in kind." [See p. 225C D3]

Questioned by reporters on whether NATO members' resultant access to U.S. atomic arms would not contradict the U.S.' avowed aim of preventing the spread of nuclear weapons to a "4th power," the President asserted that the NATO stockpile proposal "would make it unnecessary for others to manufacture" nuclear weapons. It thus would avert the "very dangerous" situation that would result from independent & individual production of nuclear weapons by smaller nations. [See col. 1E-F]

London Talks. British Forgn. Secy. Selwyn Lloyd, in a move to hasten detailed work on an international disarmament treaty, urged the UN Disarmament Subcom. July 17 to set up 5 working parties charged with drafting articles of a first-stage arms treaty based on recent East & West statements of agreement. Harold E. Stassen, U.S. delegate, & Valerian A. Zorin, Soviet delegation chief, agreed July 17 to study Lloyd's plan. [See p. 219A2]

(A British Govt. White Paper, issued in preparation for a House of Commons disarmament debate, asserted July 18 that "substantial advances have been made" in the 4-mo. UN subcommittee talks. Commons voted by 322-262 July 23 to reject a Laborite censure motion on British Govt. policy at the London talks.)

Zorin, addressing the subcommittee July 19, outlined the following Soviet position toward current Western disarmament proposals: (1) The USSR would favor the creation of technical working groups if there were clear agreement on goals for armed forces reductions & the length of a trial suspension of nuclear tests; (2) any test suspension must be long enough to affect the next nuclear test series now planned by the atomic powers, and (3) the USSR would favor conventional forces levels proposed by the U.S. on condition they were embodied in a treaty & not made dependent on a general East-West political settlement. [See p. 201C2]

REFERENCES in brackets give location of background information in this & preceding volumes

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MIDDLE EAST

Oman Revolt. British-led Trucial Scout Forces of Said bin Taimur, sultan of Muscat & Oman (ruler of Oman & the Trucial Oman states), were reported July 19 to have clashed with rebel forces led by Sheikh Ghalib bin Ali, imam of Oman, & his brother Ali Bin Ali.

Wide World
SULTAN of OMAN

The revolt was said to have been started in the Nizwa area, 200 mi. inland from Muscat, by Talib ibn Issa, brother of Sheikh Ibrahim ibn Issa who had been imprisoned by the sultan for aiding Sheikh bin Ali in an abortive rebellion in Dec. 1955. Bin Ali, who had fled to Egypt after the 1955 re-occupation of Nizwa by the sultan's forces, was said to have been backed & armed (partially with U.S. equipment) for the new revolt by Saudi Arabia, claimant to British-held Buraimi Oasis, oil-rich gateway to Oman from the Saudi Arabian desert. [See Vol. XVI, p. 9E3]

British Intervene. British Forgn. Secy. Selwyn Lloyd told the House of Commons July 22 that the sultan had "requested British assistance & this request has been agreed to." Lloyd, noting that Britain & Oman were linked by treaties extending back to 1793, said that "local British authorities" had been empowered "within certain limits to take military action." Sir Bernard Burrows, British Political Resident for the Persian Gulf, said July 23 that rebels had been warned to quit the Nizwa area or face air attack.

RAF Venom jets based in Sharja, Oman, rocketed & strafed the rebel-held fort of Izki, 20 mi. from Nizwa, July 24. British troops from Bahrein & Kenya were reported to be assembling July 24 in Sharja.

(London sources said July 22 that Britain's decision to back Oman militarily had been dictated by the need to prove British readiness to support rulers in the Persian Gulf oil states of Bahrein, Kuwait & Qatar and to halt Saudi expansionism in the area.)

(U.S. State Dept. spokesman Lincoln White July 23 denied as "baseless" reports that the U.S. Govt. & oil interests were backing the Omani rebels. Washington sources noted, however, that the sultan of Oman had been supported by the British-dominated Iraq Petroleum Co., while the U.S.-owned Arabian-Amer. Oil Co. was believed to be committed to Saudi ambitions in the Persian Gulf.) [See p. 78A2]

(The Yemeni Govt., in a letter to UN Secy. Gen. Dag Hammarskjöld, had charged Britain May 20 with continued threats to Yemen's independence. RAF bombers had razed Danuba, in the Aden Protectorate, Feb. 11 for harboring pro-Yemeni rebels who had ambushed & killed 2 British soldiers Feb. 4. A British note charged Feb. 22 that Yemeni forces had attacked Nejd Maizer in the Beihan area of Aden Protectorate. [See pp. 62D3, 27B-D2]

Egypt Opens Parlt. Pres. Gamal Abdel Nasser opened the first post-revolution Egyptian Parlt. July 22, asserting that Egypt had won its "war of independence" against "imperialists."

Nasser, addressing the 350-seat Majlis al Umma (Natl. Assembly, or Parlt.), outlined Govt. economic plans aimed at ameliorating Egypt's poverty. He said the Govt. had established an Atomic Energy Comm. & would submit bills to provide for the first stage of construction of the Aswan High Dam at an estimated cost of £60 million Egyptian ($172.8 million). [See p. 78B3; Vol. XVI, 242C2-D3]

(Abdel Latif Boghdadi was elected speaker of the unicameral Egyptian Parlt. July 22.) [See p. 227E3]

Nasser, who told Parlt. July 22 that Egypt had broken the West's monopoly on Mid-East arms by turning to the Soviet bloc for equipment, reviewed Soviet & Czech-equipped Egyptian troops in Cairo July 23 in celebrations marking the 5th anniversary of Egypt's military revolution against the Farouk monarchy. Arms shown July 23 included Soviet mobile rocket launchers, howitzers, multiple machine-guns and flights of Ilyushin & MiG jets. [See Vol. XVI, p. 226C1]

(The Egyptian Govt. confirmed July 18 that ex-Forgn. Min. Mohammed Salah el-Din and other Wafdist politicians & army officers had been arrested for plotting against the Nasser regime. The Govt. said July 19 that a Supreme Military Court had been created to try the group, reported to have been led by Ahmed Atf Nassar, former Egyptian Army brigadier. [See p. 227C3]

(A new Shepheard's Hotel, replacing the landmark destroyed in 1952 riots, was opened in Cairo July 20.) [See Vol. XII, p. 29E]

Suez Cargo to Israel. The Egyptian Suez Canal Authority July 22 permitted the Danish freighter "Brigitte Toft" to transit the Suez Canal with a cargo of Burmese rice bound for Haifa, Israel. Egyptian police, however, arrested Raffi Eilon, an Israeli crewman & journalist, on grounds that he was an active member of the Israeli armed forces. Israel protested Eilon's arrest to the UN July 23 & asked Secy. Gen. Hammarskjöld to secure his release. The "Brigitte Toft," under charter to Zim, the Govt.-owned Israel Navigation Co., was the first vessel to carry Israeli cargo through the canal in 1957. [See p. 163B2]

(An Egyptian Govt. decree July 18 wrote into law provisions of Egypt's Apr. 24 UN declaration on Suez Canal operations.) [See p. 131C-F1]

Israel Vs. Syria. The Israeli Govt. lodged a formal complaint with the UN Truce Supervision Org. July 22 against what it termed "Syria's threatening attitude toward Israel." The to investigate continued Israeli-Syrian incidents. [See p. 27E2]

(The UN Emergency Force for the Middle East disclosed July 22 that the 584-man Indonesian UNEF contingent would be withdrawn by August [see p. 227F2]. Israeli Prime Min. David Ben-Gurion, in a filmed British TV interview broadcast July 18, said that Israel might ask the West for anti-submarine devices or submarines to "balance" 3 Soviet subs delivered to Egypt.) [See p. 204D2]

SOVIET BLOC

Kremlin Rift Detailed. The Soviet CP journal "Partiinaya Zhizn" ("Party Life") confirmed July 23 that the recent struggle for power between CP First Secy. Nikita S. Khrushchev & a faction led by deposed First Dep. Premier Vyacheslav M. Molotov had begun in the Soviet CP Presidium and had been resolved only when brought before a full meeting of the party's Central Com. The party organ, charging that Molotov, Georgi M. Malenkov & Lazar M. Kaganovich had plotted against the Central Com. by attempting to confine the rift to the Presidium, said that the faction had hoped to present the Central Com. "with the accomplished fact of a changed leadership." [See pp. 217B1-218C1]

"Partiinaya Zhizn," which disclosed that Central Com. & regional CP staffs would be reduced and that paid Central Com. organizers in industry had been abolished, claimed that the Molotov-Khrushchev struggle had shown the Central Com. "to be truly the highest organ of the party between [quadrennial CP] congresses." The magazine asserted that the Molotov faction had "miscalculated" in its effort to revive "a system that prevailed under Stalin, whom they served so long." "The anti-party group," it said, "did not realize the changes that had taken place in the course of 3 or 4 yrs." and were furthered by the 20th CP congress in 1956. [See Vol. XVI, pp. 213A1-216G3, 70D2, 57C1]

(Moscow's CP newspaper "Pravda" criticized Ukrainian, Byelorussian & Lithuanian newspapers & CP journals July 21 for failing to clarify & stress reasons for removal of the anti-party group. "Pravda" disclosed that nationwide CP meetings to expose & denounce the faction had been terminated, but it demanded continuation of the press drive.) [See p. 218A2, C3]

(Prof. M. S. Vovsi, one of the Jewish physicians accused of planning the murders of Soviet officials in the 1953 "doctors plot" & later cleared, was awarded the Order of Lenin July 11 for 35 yrs.' service to Soviet medicine, science & education.) [See Vol. XVI, p. 216E2; XIII, 106N, 9A-E]

Moscow Ta'ks. CP First Secy. Khrushchev, who recently had warned he would carry his criticisms of Titoism to Yugoslav leaders, met in Mos-

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cow July 18 with Yugoslav Vice Presidents Edvard Kardelj & Aleksandr Rankovic [see p. 226D-F2]. The Yugoslavs & Khrushchev then met July 18 with Soviet CP Presidium members and Enver Hoxha & Todor Zhivkov, leaders, respectively, of the Albanian & Bulgarian Communist parties [see p. 155F3]. Belgrade dispatches said July 20 that talks had begun in Moscow on implementation of the USSR's 1956 pledge of $250 million in credits for Yogoslav industry. [See p. 95F1]

(Pres. Ho Chi Minh of Communist North Viet Nam, ending a 3-day state visit to the USSR, met briefly with Khrushchev July 16, then flew to Prague July 17 & Warsaw July 21. Ho had begun a tour of Communist countries July 6 in Peiping [see Vol. XV, p. 248B3]. King Mohammed Zahir Shah of Afghanistan & Afghan Dep. Premier-Forgn. Min. Sardar Mohammed Naim landed in Moscow July 17 for a 2-wk. visit to the USSR [see p. 146C1]. Jacques Duclos, Stalinist French CP leader, left Paris July 20 for Moscow & talks with Khrushchev.) [See Vol. XVI, 436D1]

Soviet CP Backs Mao Views. In the first public Soviet CP comment on Communist Chinese Pres. Mao Tse-tung's thesis that contradictions were possible in a Soviet-style society, Moscow's "Pravda" said July 16 that Chinese experimentation with Communist ideology was of "great importance for the Marxist-Leninist theory in general." Terming Mao's speech "an outstanding event in China's political life," the Soviet CP newspaper said it "furnishes the Chinese people with a new clear-cut orientation in the new situation" of socialism. Mao's speech, it said, "has multiplied the strength of the millions of supporters of socialism in China who have turned to a decisive offensive against . . . right-wing bourgeois elements." [See pp. 210F1, 203B1, 194G2-195E2]

Peiping Vs. Critics. Faced with a growing wave of criticism after publication of Mao's appeal to "let a hundred flowers blossom" & "let a hundred schools ofthought contend," Communist Chinese leaders continued efforts July 12-20 to curb China's Cheng Feng (rectification) campaign. [See pp. 210C-E2, 203C1-C2]

Lu Ting-yi, CP Central Com. propaganda dept. chief, in an address before the Natl. People's Congress (Parlt.), warned July 12 that "rightists" had disseminated "fantastic anti-Socialist views" in an effort to "seize leadership" & instigate "counter-revolutionary dictatorship."

An editorial in the CP's "Peiping People's Daily" warned July 12 that rightist "demons can be wiped out only when they . . . come out of the cage." Said by Hong Kong Communists to have been written by Mao, the editorial said rightists were "poisonous weeds" which must "be got rid of." [See p. 210D1]

(Mme. Soong Ching-ling, widow of Sun Yat-sen, founder of the Chinese Republic, called for complete acceptance of the CP's leadership in an article appearing in the "Peiping People's Daily" July 13.)

Student regulations issued July 18 by the Govt.'s State Council (Cabt.) warned that students whose thought "seriously runs against socialism face penalties ranging from corrective labor to long periods of work without pay." (Red newspapers arriving in Hong Kong July 15-19 reported anti-Govt. unrest at many mainland universities.) [See p. 203F1]

Critics Recant. The 2 leading non-Communist critics of the Peiping regime, Timber Industry Min. Dr. Lo Lung-chi & Communications Min. Chang Po-chun, confessed July 15 to having plotted together "to attack the Communist party & leadership."

The 2 men, vice chairmen of the pro-Red Democratic League, told the closing session of the Natl. People's Congress in Peiping that they had absorbed bourgeois ideas while studying abroad. Chang said he had sought "to replace the proletarian dictatorship & the Natl. People's Congress with bourgeois democracy," which "would inevitably have led to a capitalist comeback" in China. [See p. 210E2]

Other leading critics of the Peiping Govt. who admitted to "rightist" attempts to undermine Chinese communism included: Prof. Fei Hsiao-tung (July 13); Gen. Lung Yun (July 13) [see p. 203C1]; Food Min. Chang Nai-chi (July 13); Higher Edctn. Vice Min. Dr. Tseng Chao-lun (July 19).

(The "Peiping People's Daily" had charged July 3 that the rightists were linked to State Secy. Dulles & hoped to "work in coordination with the [U.S.] to overthrow China's people's democratic dictatorship & rebuild American colonial rule." The newspaper, answering Dulles' June 28 statement that the Chinese people eventually would free themselves from communism, said Dulles' views on China were "fantastic" & described him as "a helpless fish wriggling in a dry pond.") [See p. 209E3]

China Trade. U.S. Commerce Secy. Sinclair Weeks told a special Senate Forgn. Commerce subcommittee July 9 that the U.S. would maintain its embargo on trade with Red China as a matter of national security. [See p.131B3]. . . . The NATO Chincom. committee on trade with Red China was reported July 18 to have reached agreement on quotas for sale to China of 25 items heretofore embargoed. [See p. 203D2] . . . The Sino-British Trade Com. in London announced July 18 agreement on an exchange of British & Chinese Communist trade missions. [See p. 178B2] . . . The Japanese Trade & Industry Ministry released 272 previously-embargoed items for shipment to Red China July 16. [See p. 205B1]

Dulles Offers News Plan. State Secy. Dulles offered July 18 to relax the State Dept. ban on travel in Red China by U.S. newsmen. Dulles' proposal, presented to a group of U.S. news organization representatives, called for a limited number of U.S. reporters to work in China on a 6-mo. trial basis. Reports said that the group had rejected the plan as Govt. intervention in news operations.

Present at the meeting: pres. Wm. Dwight of the Amer. Newspaper Publishers Assn., J. Russel Wiggins of the Amer. Society of Newspaper Eds., pres. Theodore Koop of the Radio-TV News Directors Assn., pres. Robt. Hurleigh of the Amer. Assn. of Radio & TV Correspondents, & director Henry R. Luce of Time, Inc. [See p. 210E1]

OTHER WORLD NEWS

Algeria. The French Natl. Assembly, in a 280-183 confidence vote July 18, granted Premier Maurice Bougès-Maunoury's request for special police powers with which to combat Algerian rebel terrorism in metropolitan France. Backed by Radicals, Socialists, Independents & Popular Republicans, the measure was opposed by Communists, dissident Radicals led by ex-Premier Mendès-France & other deputies on grounds that it violated French civil rights. The law, which the assembly's Interior Comm. had refused to recommend July 11, empowered the Govt. to: (a) detain known rebels beyond their statutory prison terms; (b) hold suspects in "preventive custody" up to 21 days, and (c) conduct police searches, heretofore limited to daylight, at night. [See p. 190A-C2]

The measure won assembly approval only after Bourgès-Maunoury had demanded the confidence vote and had pledged July 17 that a new Algerian political statute, designed to permit French & Moslem communities to "co-exist," would be presented by October. He warned July 17 that 73 persons had been killed & 198 wounded by terrorist attacks during Jan.-June 1957 in the Paris region alone. Interior Min. Gilbert Jules said July 17 that an estimated 2,000 rebel agents were killing 2 Moslems every day in their efforts to extort money from the 400,000 Algerians living in France. [See pp. 220C2, 159G1]

(Robert Verdier, Jean Charlot & Camille Titeux, chairman & vice chairmen, respectively, of the Socialist Parliamentary group, were reported July 20 to have resigned their party posts following passage of the new police powers law.) [See pp. 220B2, 159C2]

The French Govt. July 18 confirmed Paris reports that Govt. envoys had held secret talks with Algerian leaders on the possibility of negotiations to end the rebellion. The daily "Le Monde" & leftist weeklies "Demain" & "L'Observateur" reported July 18 that Jean-Yves Goëau-Brissonière, a Forgn. Ministry official sent to Tunis July 5 ostensibly to attend meetings of the Intl. Confed. of Free Trade Unions, had (on orders of Bourgès-Maunoury & Forgn. Min. Christian Pineau) contacted Algerian Natl. Liberation Front leaders Rashid Abdel Kader, Mohammed Yazid & Mohammed Lamine-Debaghine.

The Algerian leaders reportedly expressed willingness to open talks with France & modify rebel demands for

independence, but they insisted that responsible talks could not be held without communications with Ahmed ben Bella, Natl. Lib. Front leader imprisoned in France. With the encouragement of Tunisian Premier Habib Bourguiba, Abdul Majid Chaker, Neodestour party Political Bureau admin. director & ben Bella's lawyer, flew to Paris to report to ben Bella on the French contact. Arriving July 11 in the same plane as French envoy Brissonière, Chaker was arrested & charged with endangering French security by acting as an Algerian rebel courier. Chaker was freed temporarily July 12. [See Vol. XVI, pp. 356E3, 348B2]

(Replying to assembly criticism of the French-Algerian talks, Bourgès-Maunoury said July 18 that the press had "inflated" the importance of the Tunis contacts. Robert Lacoste, French Min. Residing in Algeria, denied July 18 that he had opposed Cabt. plans for the talks & sought to halt the Tunis meetings [see p. 220G1]. Lib. Front leader Yazid, in a letter to UN Secy. Gen. Dag Hammarskjöld, denied July 23 that he & Lamine-Debaghine ever had met with Brissonière.) [See p. 220E1]

Defense Min. André Morice began proceedings July 20 against "Le Monde" for "public defamation of the Army" in a Mar. 1957 article in which Prof. Maurice Duverger had charged the Govt. with creation of a "super police" elite corps of parachutists used for security duties in Algiers [see pp. 190E2]. Duverger, writing in "Le Monde" July 18 on the Govt. request for police powers, had charged that "for the first time in the history of the republic a Govt. has asked Parlt., in a time of no foreign war, for the right to open concentration camps in which to lock up Frenchmen." [See p. 99E2]

(The Intl. Press Institute reported July 2 in Geneva that the French Govt. had seized or suppressed 32 newspaper editions and arrested or indicted 4 newsmen for criticism of French Algerian policy during Jan.-June 1957.)

12 Frenchmen, including Rev. Jean-Claude Marthez, a Catholic priest, & André Gallice, an Algiers municipal councilor, went on trial July 22 before an Algiers military court on treason charges for having sheltered Moslems during a parachutist-led roundup of Algiers Arabs. 2 women, Djamila Bouazza, 19, & Djamila Bouired, 23, were sentenced to death July 15 in Algiers for placing bombs in Algiers cafes. Rebels July 14 blew up the municipal power station in Laghouat, 200 mil. south of Algiers, killing 8 persons, 7 of whom were Arabs. Fighting continued throughout Algeria, with 121 rebels reported killed July 14-23. [See p. 22B3]

21 members of the Arab-Asian-African bloc formally asked the UN July 18 to place the Algerian question on preliminary agendas for the 12th Gen. Assembly, opening in New York Sept. 17. [See p. 220E1]

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Cyprus. Laborite demands that Cyprus Gov. Field Marshal Sir John Harding be replaced by a civilian were rejected by the British House of Commons July 15 on a 326-260 confidence vote backing British Prime Min. Harold Macmillan's Cyprus policies. Macmillan had rejected an offer by Cypriot Archbishop Makarios for self determination talks, the Forgn. Office disclosed May 30. (1,083 Greek Cypriots staged a hunger strike July 15 to protest their continued imprisonment in British detention camps.) [See p. 159D3]

Intl. Confed. of Free Trade Unions' 5th biennial conference voted July 13 to elect Arne Geijer of Sweden as president and George Meany & Walter Reuther of the U.S. as vice presidents and re-elect J. H. Oldenbroek of Holland as gen. secy. The Conference, held July 5-13 in Tunis, approved resolutions to: (1) admit Finland to the ICFTU (July 5); (2) demand that Hungary be barred from the UN & freed from Soviet occupation (July 11); (3) urge an international disarmament accord (July 13); (4) call for a cease-fire between French & Algerian rebel forces (July 13). [See Vol. XVI, p. 404B2]

British & French colonial rule in central Africa was praised by Adlai E. Stevenson July 17 in Lenno, Italy as "extremely impressive & little understood." Stevenson, returning from his 2d African tour, cited the 2 nations' "enlightened" African policies but specifically excluded North Africa & the Union of South Africa from his praise. He expressed "anxiety" over South African "apartheid" racial policies [see p. 153F2]. All 30 pro-French African Dem. Rally candidates reportedly were elected June 24 to seats in the French Somaliland assembly. André-Marie Mbida, a moderate, was invested as first Premier of the French Cameroons May 15. Pro-French & moderate African Dem. Rally candidates were reported to have won territorial assembly elections held Mar. 31 in French West Africa, French Equatorial Africa & Madagascar. The elections were held under decrees establishing local Govt. councils & assemblies in France's African territories, as approved Feb. 2 by the Natl. Assembly, 322-199. [See p. 31A1]

NATIONAL AFFAIRS

THE PRESIDENT

Names Federal-State Unit. Pres. Eisenhower July 20 appointed 7 federal officials to a Joint Fed.-State Action Com. to work with 10 state governors to plan a realignment of functions & taxes between the federal & state governments. The federal members included 3 Cabinet officers, Treasury Secy.-nominee Robt. B. Anderson, Labor Secy. Jas. P. Mitchell & Health-Edctn.-Welfare Secy. Marion B. Folsom, as well as Budget Dir. Percival F. Brundage. John H. Stambaugh, Vanderbilt U. vice chancellor, was chosen by the President as the executive director for the committee's federal group. The President said in his letter of appointment that he hoped the committee's efforts "will result in less centralized & thereby more responsive & efficient government." [See p. 205D2-E3]

(The House Rules Com., by 6-5 vote July 17, approved a resolution to create a special 9-member House committee to investigate all federal aid to states and to determine "what justification now exists for federal aid in any field." The proposal was introduced by Rep. Phil M. Landrum [Dem., Ga.] and backed by Republicans & Southern Democrats. "Liberal" Northern Democrats fought it as a device whereby conservatives could attack such programs as the proposal for aid to school construction.)

(The Conference of Chief Justices, meeting in New York, voted July 13 to set up a committee to study the judiciary's role in the distribution of powers between the federal & state governments. Chief Justice John R. Dethmers of Michigan was elected conference chairman for 1958.)

Personnel. Pres. Eisenhower July 22 nominated Asst. Treasury Secy. Fred Clark Scribner Jr., 49, a former Portland, Me. lawyer who had served as Treasury Dept. general counsel, to be Treasury Undersecy. [See pp. 109D2, 57B-C1] . . . John J. Gilhooley, 35, N.Y. lawyer who had been serving as special assistant to the Labor Secy., was nominated July 23 to be an Asst. Labor Secy. . . . The White House announced July 18 that Asst. Treasury Secy. David W. Kendall would resign by the end of 1957 to resume law practice in Jackson, Mich. . . . Ex-Gov. Leo Arthur Hoegh (R., Ia.), 49, was sworn in at the White House July 19 as Fed. Civil Defense Administrator. [See pp. 212B1, 197B1]. . . Pres. Eisenhower July 18 nominated ex-Interior Secy. Douglas McKay to succeed ex-Ida. Gov. Len Jordan (retiring Aug. 1) as a $20,000-a-yr. member of the 6-man Intl. Joint Comm. in charge of U.S.-Canadian boundary & water disputes. . . . It was announced July 17 that the President had appointed retired Rear Adm. George J. Dufek, a veteran polar explorer, to succeed the late Adm. Richard E. Byrd as supervisor of U.S. South Polar programs in addition to Dufek's duties as commander of the Navy's Antarctic task forces. [See Vol. XV, p. 369E1]

Other Presidential News. Pres. Eisenhower reported to Congress July 22 that the U.S. had sold about $500 million worth of surplus farm products overseas for foreign currencies during Jan.-June 1957 and had disposed of another $75,200,000 worth as overseas disaster relief or in trade for strategic materials. This brought total disposals since 1954 to $5,229,500,000. During fiscal 1957, the President reported, the U.S. had made deals with foreign countries under which the U.S. was to receive $1,869,500,000 in foreign currencies for farm surpluses for which the U.S. had paid $2,772,500,000. [See pp. 188C3, 130C-D1, 110E-F1] . . . Pres. Eisenhower, at his press conference July 17, said

the FBI was prepared to make some documents available to defendants in criminal cases as required by a recent Supreme Court decision. But he opposed "widespread opening of the FBI files" on grounds that it "could do incalculable damage." He pointed out that in a single file many people could be referred to "in most derogatory fashion" by others who did not like them. (Fed. Dist. Judge Mac Swinford in Bowling Green, Ky. July 17 fined FBI agent Marcus Wallace $1,000 for contempt for refusing, on Justice Dept. orders, to turn over FBI files demanded by counsel for a contractor charged with fraud in obtaining FHA loans. Swinford suspended the sentence until Oct. 18 to let Wallace confer "with your superiors." Swinford denounced the Justice Dept., both as a litigant in the case and as "the people's agency for the protection of the people," for directing "its agent to ignore an order of the court & defy the court.") [See p. 182A-F1] . . . Pres. Eisenhower July 17 signed a bill authorizing Social Security disability benefits as well as veterans' disability benefits for veterans with service-connected disabilities. . . . The President July 23 signed a bill authorizing the Fed. Crop Insurance Corp. to insure agricultural loans made by the Commonwealth Govt. of Puerto Rico to protect farmers against crop damage from hurricanes & other disasters. . . . Pres. Eisenhower told reporters July 17 that he thought his official papers should go to the Eisenhower Library his friends were planning to build in Abilene, Kan. He said he would keep his personal papers during his lifetime and that afterwards they could go there also. But he said that if "I have in letters spoken disparagingly of some one still alive, I hope that they would keep that particular letter secret until that other person has gone . . . too."

CONGRESS

Senate Limits Rights Bill. The Senate cut the Eisenhower Admin.'s civil rights bill down to a right-to-vote law July 24 by voting, 52-38, to delete from controversial Part III all enforcement powers except those to protect voting rights.

The limiting amendment, offered by pro-civil rights Sens. Clinton P. Anderson (D., N.M.) & George D. Aiken (R., Vt.), deleted proposals to give the Atty. General broad powers to seek injunctions in any type of civil rights case with or without the consent of an alleged victim. Opponents of the bill charged that, by reference to legislation going back to 1861, sections removed by the Anderson-Aiken amendment would have permitted the use of federal troops to enforce desegregation in schools elsewhere.

Pro-civil rights Senators split on the vote. Some insisted that Part III should be kept intact to defend basic constitutional rights. Others held that it would give the Atty. General excessively-broad & insufficiently-defined powers and, by overly antagonizing the South, jeopardize the bill and make rights progress more difficult.

Voting to delete enforcement powers: **34 Dems.**—Anderson (N.M.), Bible (Nev.), Byrd (Va.), Chavez (N.M.), Church (Ida.), Eastland (Miss.), Ellender (La.), Ervin (N.C.), Frear (Del.), Fulbright (Ark.), Gore (Tenn.), Green (R.I.), Hayden (Ariz.), Hill (Ala.), Holland (Fla.), Johnson (Tex.), Johnston (S.C.), Kefauver (Tenn.), Kerr (Okla.), Long (La.), Mansfield (Mont.), McClellan (Ark.), Monroney (Okla.), Murray (Mont.), O'Mahoney (Wyo.), Robertson (Va.), Russell (Ga.), Scott (N.C.), Smathers (Fla.), Sparkman (Ala.), Stennis (Miss.), Talmadge (Ga.), Thurmond (S.C.), Yarborough (Tex.). **18 Repubs.**—Aiken (Vt.), Barrett (Wyo.), Bennett (Utah), Bricker (O.), Butler (Md.), Case (S.D.), Cotton (N.H.), Curtis (Neb.), Dworshak (Ida.), Flanders (Va.), Goldwater (Ariz.), Hickenlooper (Ia.), Malone (Nev.), Mundt (S.D.), Saltonstall (Mass.), Smith (N.J.), Williams (Del.), Young (N.D.).

Vs. deleting enforcement powers: **25 Repubs.**—Allott (Colo.), Beall (Md.), Bush (Conn.), Capehart (Ind.), Carlson (Kan.), Case (N.J.), Cooper (Ky.), Dirksen (Ill.), Hruska (Neb.), Ives (N.Y.), Javits (N.Y.), Jenner (Ind.), Knowland (Calif.), Kuchel (Calif.), Langer (N.D.), Martin (Ia.), Martin (Pa.), Morton (Ky.), Potter (Mich.), Purtell (Conn.), Revercomb (W. Va.), Smith (Me.), Thye (Minn.), Watkins (Utah), Wiley (Wis.). **13 Dems.**—Carroll (Colo.), Clark (Pa.), Douglas (Ill.), Humphrey (Minn.), Jackson (Wash.), Kennedy (Mass.), Lausche (O.), Magnuson (Wash.), McNamara (Mich.), Morse (Ore.), Neuberger (Ore.), Pastore (R.I.), Symington (Mo.).

The Senate, by 90-0 vote July 22, had approved an amendment repealing a Reconstruction law authorizing the President to use troops to enforce civil rights orders of federal courts. The proposal was introduced by Senate GOP leader William F. Knowland (Calif.) & Sen. Hubert H. Humphrey (D., Minn.) to nullify a key objection to the bill that had been made not only by Southerners but by some pro-civil rights Northerners.

2 efforts to retain some of Part III's injunctive powers were defeated July 23 when the Senate voted: (a) 61-29 to reject an amendment by Sen. John W. Bricker (R., O.) that would have given the President rather than the Atty. General the power to decide whether the Justice Dept. should seek civil injunctions in rights cases; (b) 81-8 against a proposal by Sen. John Sherman Cooper (R., Ky.) to let the Atty. General seek such relief only when 2 or more persons conspired to obstruct compliance with a federal court's rights decree.

Pres. Eisenhower had asserted at his press conference July 17, when asked about the use of troops to enforce school integration: "I can't imagine any set of circumstances that would ever induce me to send federal troops . . . to enforce the orders of a federal court. . . . I am not seeking any additional authority of that kind, and I would never believe that it would be a wise thing to do in this country." When asked whether he thought it wise to let the Atty. General bring suits on his own motion to enforce school integration, Mr. Eisenhower replied: "Well, no . . . [not] without any request from local authorities. . . . If you try to go too far too fast in laws in this delicate field . . . you are making a mistake." The President refused to tell whether he favored having all but the voting-protection provisions of the bill removed, but he said: "I think the voting right is something that should be emphasized. . . . If in every locality every person . . . is permitted to vote, he has got a means of taking care of himself & his group, his class. He has got a means of getting what he wants in democratic government, and that is the one on which I place the greatest emphasis."

Sen. Richard L. Neuberger (D., Ore.) charged July 18 that "if the present extremely modest civil rights bill is frittered away in compromises & weakening amendments," Pres. Eisenhower "above all must accept major responsibility. . . . The President has revealed, first, that he is not thoroughly familiar with contents of his Admin.'s bill and, 2d, that he is not enthusiastically in favor of what he does believe the bill to contain. . . . This has made infinitely more difficult the task of those" working for "meaningful & effective civil rights legislation."

Atty. Gen. Herbert Brownell Jr., whom Southerners had attacked as the author of allegedly punitive proposals of the bill, denied in a filmed TV interview July 21 that the Admin. wanted to use troops to enforce school or other integration. He urged "clarifying" the measure to end this fear. But he opposed compromise that would modify constitutionally-guaranteed civil rights. [See p. 229G1-G2]

GI Trial Ban Rejected. The House, by 134-134 teller vote July 17, rejected a foreign-aid bill amendment asking Pres. Esienhower to seek revision of treaties authorizing foreign courts to try U.S. servicemen. The proposal had been introduced by Rep. Omar Burleson (D., Tex.) in the face of the President's defense of foreign-trials agreements.

A tougher measure against such trials, offered by Rep. Frank T. Bow (R., O.) [see p. 213B-C2], was denounced by Mr. Eisenhower in a letter to House GOP leader Joseph W. Martin Jr. (Mass.) July 20. The President said he could "think of no recent legislative proposal which would so threaten the essential security" of the U.S. Its passage, he said, would "alienate our friends and give aid & comfort to those who want to destroy our way of life." "We should not ask," he declared, "that for us alone our allies . . . [should] completely surrender their rights of sovereignty over criminal offenses committed in their lands."

House Cuts Foreign Aid. A $3,116,833,000 foreign aid authorization bill was passed by 254-154 House vote (136 D. & 118 R. vs. 78 D. & 76 R.) July 19 under the floor management of Reps. A. S. J. Carnahan (D., Mo.) & John M. Vorys (R., O.). The measure then went to joint conference to iron out differences between the House bill & a $3,617,333,000 Senate version. Pres. Eisenhower had requested $3,864,410,000.

Major items in the House bill, as compared with the Senate version & the President's requests:

	House	Senate	Pres.
Military aid	*$1,500	*$1,800	*$1,900
Defense support ..	*$600	*$800	*$900
Dvpt. loan fund ..	†*$500	†*$500	†*$500
Technical (Pt. 4) aid	*$151.9	*$151.9	*$151.9
Gen. economic aid	*$250	*$250	*$300

*In millions †For fiscal 1958 only; the House rejected the President's request (approved by the Senate) of $750 million each for 1959 & 1960.

Rep. Wayne L. Hays' (D., O.) amendment cutting the defense support item to $600 million was adopted by 155-74 vote July 19 after rejection, by 172-154, of a proposal by Rep. Alvin M. Bentley (R., Mich.) to reduce it to $500 million. The $500 million figure had been accepted tentatively by the House July 17, and Pres. Eisenhower the same evening had issued a statement assailing the cut as "no less than a threat" to U.S. & free-world security.

The House, by voice vote July 19, adopted an amendment offered by Rep. Armistead I. Selden Jr. (D., Ala.) to cut the development loan fund item from 3 years to one year. A proposal by Rep. John L. Pilcher (D., Ga.) to eliminate the fund entirely was defeated by a 126-86 vote.

The House, by 98-66 vote July 19, rejected Bentley's proposal to end aid to Yugoslavia. [See p. 221F2]

(The House Forgn. Affairs Com. July 17 released a letter in which Controller Gen. Joseph Campbell reported that "reviews of the offshore procurement program in Europe" had disclosed no "valid evidence" of profiteering by foreign politicians or Govt. firms.) [See pp. 188F3, 30A2]

CIVIL RIGHTS

Kasper & 6 Convicted. Frederick John Kasper, 27, & 6 other segregationists were convicted by an all-white Southern jury in U.S. Dist. Court in Knoxville, Tenn. July 23 of criminal contempt for violating a federal court injunction against interfering with orderly integration at nearby Clinton (Tenn.) High School. 4 remaining defendants were acquitted. The prosecution had dropped charges against 4 others July 18 due to insufficient evidence and had dropped charges July 15 against a 5th, Mrs. Zella Nelson, 19, an expectant mother, because of her health.

The 11 defense attorneys had pleaded that their clients were upholding the "Southern way of life" in fighting desegregation. They insisted that their actions were lawful under the Constitution's guarantees of free speech & assembly. Defense atty. Ross Barnett, ex-pres. of the Mississippi Bar Assn., said in his summation July 22 that "the bible teaches us to segregate . . . not to mix the seed." He declared that "Abraham Lincoln set the course when he said he wouldn't abide by a ruling of the Supreme Court in the Dred Scott decision."

The trial had opened July 8 under U.S. Dist. Judge Robert L. Taylor, who had ordered integration in Clinton and who had issued the injunction in the case. U.S. Atty. John C. Crawford Jr., who prosecuted the case, stressed evidence that the defendants had acted in concert to foment mob disorders in an effort to block integration. Crawford pointed out, however, that the jury was to decide not whether desegregation was right but whether the defendants had flouted a court order. Taylor stressed this point in his charge to the jury.

(4 Negroes appeared as prospective jurors, but the defense succeeded in excluding them from the jury.)

Those convicted: Kasper; Lawrence J. Brantley, 50, Clinton car dealer; Wm. J. Brakebill, 41, Clinton service-station operator; Alonzo Bullock, 52, Clinton carpenter & part-time preacher; Clyde Cook, 36, Oak Ridge fireman; Mrs. Mary Nell Currier, 39, Clinton housewife; Willard H. Till, 43, Oak Ridge machinist.

The U.S. Court of Appeals in Cincinnati June 1 had upheld an earlier contempt conviction & one-yr. jail term imposed on Kasper for urging mobs to violate Taylor's injunction. [See p. 158D-F2]

Schools. Integration of Dallas public schools "with all deliberate speed" was ordered by the U.S. 5th Circuit Court of Appeals in New Orleans July 23. The order reversed a decision of U.S. Dist. Judge William H. Atwell, 87, who had dismissed a desegregation suit filed for 28 Negro children. [See Vol. XVI, p. 430B-C2] . . . In the first voluntary integration action in any Southeastern state, local North Carolina school boards voted July 23 to admit 5 Negro pupils to all-white public schools in Charlotte, 6 in Greensboro & one in Winston-Salem. 35 Negroes were rejected in Charlotte, one in Greensboro & 5 in Winston-Salem. . . . Chief Judge John J. Parker of the U.S. 4th Circuit Court of Appeals in Richmond, Va. July 18 authorized a delay in the effectiveness of court orders requiring Norfolk & Newport News schools to integrate in September pending the outcome of an appeal to the Supreme Court. [See p. 57G3] . . . The Group for the Advancement of Psychiatry reported in Chicago May 15 that school segregation was harmful to white students as well as to Negroes because it "impedes more direct & mature facing & dealing with actual anxiety arousing conflicts" and leads to unadaptive self-appraisal and "distortion of reality." Advocacy of segregation was no indication of maladjustment, the report said. But it found that many maladjusted & insecure persons grasped at prejudice to hide their own shortcomings. . . . The Supreme Court May 20 upheld, by refusing to review, a Court of Appeals ruling that Memphis State College must admit Negroes without delay. The decision rejected Tennessee's proposal to integrate state-operated colleges gradually. [See p. 15B1] . . . Fla. Gov. LeRoy Collins June 7 vetoed the "last-resort" bill that would have allowed schools or other public facilities facing integration to be closed by a 25% vote of the residents of the locality. The House failed to override, falling short of the necessary 2/3. The measure had been adopted by votes of 57-36 in the House and 26-11 in the Senate. [See p. 134D-E1]

OTHER U.S. NEWS

Hoffa Acquitted. A federal jury in Washington July 19 acquitted James Riddle Hoffa, 44, Intl. Bro'hood of Teamsters vice pres., of charges that he had bribed N.Y. lawyer-investigator John Cye Cheasty to get a job with the Select Senate Com. on Improper Labor-Management Activities, which was investigating Hoffa's union, and to give Hoffa committe data.

Cheasty, chief witness against Hoffa, testified that Hoffa had offered him $18,000 and actually had paid $2,000 of it after receiving information from Cheasty. Cheasty said he had told the committee immediately after the offer was made and thereafter had worked with the FBI to trap Hoffa and his alleged go-between, Miami atty. Hyman I. Fischbach. Hoffa insisted that he had hired Cheasty only as a lawyer to represent union officials who might be called before the committee. He said he did not know Cheasty planned to get a committee job.

During cross-examination June 28, defense counsel Edward Bennett Williams tried to show that Cheasty had been fired as counsel to a Florida legislative inquiry for payroll-padding. Cheasty replied that he had quit the inquiry, which was studying racial segregation, after associates trumped up charges against him because he had uncovered 14 cases of failure to respect Negro rights.

Chrmn. John L. McClellan (D., Ark.) of the Senate committee announced July 23 that he had asked Cheasty to continue working for the committee and considered his "services as of great value." [See p. 230E-G3]

Govt. Finance. The Treasury & Budget Bureau announced July 19 a $1.645 billion budget surplus for fiscal 1957, the Eisenhower Admin.'s 2d straight budget surplus. Receipts totaled $70.989 billion, expenditures $69.344 billion. Major expenditures included $38.377 for defense, $3.912 billion for foreign aid, $1.994 billion for atomic energy, $8.843 billion for veterans benefits, $2.881 billion for farm price supports, $7.312 billion for interest on the public debt & $1.805 billion for grants to the states for welfare. The Govt.'s cash transactions—receipts of $82.136 billion & payments of $80.014 billion—resulted in a $2.122 cash surplus, compared with a $4½ billion cash surplus for fiscal 1956. The decline was due mainly to Social Security payments, which for the first time exceeded taxes paid into the fund. [See pp. 223F2-G3, 229E1] . . . The Treasury Dept. July 18 offered 3 new short-term securities with the highest interest rate it had paid in 24 years (3⅝% on a 4-month certificate, 4% on a one-yr. certificate & 4% on a 4-yr. note) in an attempt to raise $23.943 billion to pay obligations maturing in August & October. [See p. 98A1] . . . Housing & Home Finance Administrator Albert M. Cole July 16 denied published reports that the Admin. had decided against putting into effect reduced down payments on Govt.-insured mortgages as authorized in recently-signed legislation. [See p. 229E-F2] . . . A State Dept. proposal to return about $300 million of war-seized German & Japanese assets was opposed by the Justice & Treasury Depts. & the Bureau of the Budget for fiscal reasons, the "N.Y. Times" reported July 20.

Business & Financial Summary

Week Ended July 20

	This Week	Last Week	Year Ago
FINANCE:			
U.S. Treasury—			
Monetary gold stocks	*$22,625	*$22,623	*$21,827
Currency circulation	*$31,183	*$31,313	*$30,808
Banks—			
Com'l, ind'l & agri'l loans§	*[a]$32,186	*$32,310	*$28,734
N.Y. bank clearings	$10,971,736,269	$10,528,271,899	$11,244,962,971
England note circulation	*£2,023.344	*£2,013.69	. . . .
N.Y. Stock Exchange—			
Stock sales (shares)	11,121,870	13,245,680	11,311,180
Stock avgs. (100 stocks)**	211.28	212.52	213.22
Bond sales (par value)	$19,245,400	$20,768,000	$18,397,500
Bond avgs. (30 bonds)**	86.60	87.04	96.11
INDUSTRY:			
Auto output (cars & trucks)†	141,583	134,553	135,122
Crude oil (bbls. daily)	[b]6,882,050	6,952,000	7,083,950
Soft-coal output (tons)	[c]1,500,000	9,040,000	1,317,000
Electric output (kwh.)	*[b]11,964	*11,056	*10,878
Carloadings (cars)	[b]691,991	535,334	619,988
	June	**May**	**June 1956**
Ind'l output§¶	143	143	141
Steel output (tons)	9,391,402	9,792,323	9,720,997
PRICES:	**This Week**	**Last Week**	**Year Ago**
Wheat (bu.)	$2.53⅜	$2.52	$2.46¾
Corn (bu.)	$1.62⅛	$1.55	$1.82¾
Cotton (lb.)	$.356	$.354	$.3455
Steel scrap avg. (ton)	$54.17	$54.50	$46.50
Wholesale food index‡	[d]$6.31	$6.27	$6.01
Weekly whlsl. index (BLS)¶	[d]118.0	117.7	114.0
BUSINESS:			
Dept. store sales§¶	[b]104	94	99
Failures (July 11)‡	256	190	251

*In millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Fed. Reserve Board [a]Member banks, 94 cities, July 10 [b]July 13 [c]July 6 [d]July 16

U.S. gross national product rose to a record $414.686 billion in 1956, compared with the record $391.692 billion in 1955, according to the July issue of the Commerce Dept.'s "Survey of Current Business." National income rose from a record $324.068 billion in 1955 to $343.620 billion in 1956 and personal income from a record $305.942 billion to $326.885 billion. Compensation of employes increased from a record $223.072 billion to $241.372 billion. Private wages & salaries rose from a record $174.446 billion to $189.383 billion and Govt. civilian pay from a record $26.115 billion to $28.152 billion, but military pay declined from $9.778 billion to $9.702 billion. Income of farm enterprises declined from $11.852 billion to $11.6 billion, but corporate profits (after tax) rose from a record $20.953 billion to $21.049 billion, dividends from a record $11.048 billion to $11.874 billion, personal rental income from $10.204 billion to $10.322 billion and net interest from a record $10.877 billion to $11.86 billion. Personal consumption expenditures rose from a record $254.421 billion to $267.16 billion, Govt. purchases from $77.086 billion to $80.227 billion and gross private domestic investment from a record $60.605 billion to $65.923 billion. There were about 4,301,000 firms operating in the U.S. at the end of 1956. During the year, some 380,000 new businesses were established, 327,000 discontinued and 327,300 purchased, reorganized or otherwise transferred to new owners. [See p. 174B2] . . . **French Govt.** informed the Western Union Telegraph Co. & the American Cable & Radio Corp. (an Intl. Tel. & Tel. affiliate) that their concessions to handle trans-Atlantic cables in France would be ended late in 1958, the "Wall St. Journal" reported July 10. It was reported that France was taking similar action against all other foreign cable carriers. [See pp. 213G3-214C1] . . . **Intl. Paper Co.**, in a consent order worked out with the FTC, agreed July 2 to divest itself of the Longview Fibre Co. (leading West Coast paper producer) stock it had acquired by its Nov. 5 acquisition of substantially all the common stock of the Long-Bell Lumber Corp. (a holding company) & Long-Bell Lumber Co. (the Pacific Northwest's 2d biggest lumber producer & holder of 450,000 acres of timber), both of Kansas City. Intl. Paper, the U.S.' biggest paper maker, also agreed not to acquire any interest in its competitors for the next 10 years. The FTC, in return, dropped anti-trust charges and ended its efforts to force Intl. Paper to give up its Long-Bell assets.

[See Vol. XVI, p. 4E1] . . . Tax exemptions claimed by oil & gas companies for contributions to the Natural Gas & Oil Resources Com., an industry "educational" organization, were disallowed by the Internal Revenue Service on the grounds that the money was used to influence legislation, the "N.Y. Times" reported June 17. About $1,950,000 had been contributed, most of it by 26 big companies, and the Govt. expected to recoup some $1 million in taxes. [See Vol. XVI p. 59F1-F2] . . . A $35,424,200 contract for construction of a new State Dept. building was awarded by the Gen. Services Admin. July 2 to John McShain, Inc. of Philadelphia. . . . U.S. Information Agency Dir. Arthur Larson announced July 22 a sharp reduction of operations in Western Europe & other areas due to an $18 million budget cut. Larson said operations behind the Iron Curtain would be maintained at the old levels. [See p. 188E1] . . . The Justice Dept. announced July 22 the negotiated recovery of $2 million in "windfall" profits, the largest recovery to date, from 5 Brooklyn builders—Alexander & Henry Hirsch, Martin & Louis Benedek, Boris Kavy—for distribution to the Farragut Gardens Corp. of Brooklyn. [See Vol. XIV p. 365C3] . . . The Federal Housing Admin. reported June 16 that the more than 20 million repair & remodeling loans it had insured in 23 years had reached a total of more than $10 billion. [See p. 180G2] . . . The Reconstruction Finance Corp. was closed June 28. Its remaining $80 million in loans & securities were to be liquidated by other agencies. [See p. 140C-D2]

Military Finance. Lawrence J. Powers, General Accounting Office accountant, read a special report before a House Armed Services subcommittee July 22 accusing Gen. Motors of making a $17,459,200 excessive profit by having "overstated" or "misstated" cost figures on a $375 million Air Force contract. The report said GM had made $32,940,500 profit on the 1952-55 contract for 599 jet planes, rather than the $15,481,300 profit the Govt. had "contemplated." The subcommittee, which opened an inquiry into aircraft costs & profits July 18, heard that despite 3 Air Force pleas to GM to refund any part of the excessive profit, the company had refused. A GM statement, included in the report, declared that its profits were reasonable and that it had followed standard procedures. Rep. F. Edward Hébert (D. La.), subcom. chairman, said July 20 that the shifting of a jet-engine overhaul contract from Gen. Electric in Cincinnati to a Curtis-Wright-leased Studebaker-Packard plant in Utica, Mich. had cost the Govt. $25 million. Hébert said July 18 that the transfer of the contract, which called for overhaul of 500 J-47 engines, was ordered by Mansfield D. Sprague, ex-Defense Dept. general counsel, over AF protests. Roy T. Hurley, Curtiss-Wright pres., said that his company, in investing $35 million in Studebaker-Packard, was "bailing out" the auto firm in response to public & Govt. needs for the firm. Hurley had estimated the cost of the transfer at $3 million. A report by the subcommittee charged June 29 that 9/10 of the Defense Dept.'s arms contracts were awarded without competitive bids and that the department was using the Korean emergency proclamation to conceal its purchasing methods from the public. Hébert, in a separate statement, said that the department had promised in Jan. 1956 not to use the emergency proclamation but "that in the months following that promise $5.312 billion of the $13.5 billion expended was contracted on the theory that the Korean hostilities still continued." . . . The House Govt. Operations Com. reported July 17 that the services spent 10 years & $300 million in discovering that they buy 3,128,613 separate items. The survey disclosed, among other things, that the military buys 3,840 different styles of shoes. . . . A $119 million Army contract to build 900 medium M-48-A-2 tanks at the Govt.-owned plant in Newark, Del. was awarded to the Chrysler Corp. May 31. The Army said it chose a Newark plant over a Detroit one to save $1,878,000, including $300,000 in Michigan's "use tax." . . . The Defense Dept. reported Apr. 15 that though Gen. Motors led the 6-yr. list (July 1950-June 1956) of the largest defense contractors, the company had fallen to 14th place on an 18-month list (Jan. 1955-June 1956). The top 10 companies on the 6-yr. list & their contract volume: Gen. Motors $6,965,300,000, Boeing Airplane $6,175,700,000, United Aircraft $5,151,100,000, Gen. Electric $4,-

785,500,000, Douglas Aircraft $4,293,200,000, North American Aviation $4,180,800,000, Gen. Dynamics $4,074,900,000, Lockheed Aircraft $3,552,700,000, AT&T $2,504,900,000, Curtiss-Wright $2,404,600,000. The top 10 on the 18-month list: North American Aviation $1,340,600,000, Gen. Dynamics $1,339,700,000, United Aircraft $1,273,600,000, Gen. Electric $1,051,200,000, Boeing $1,016,100,000, AT&T $747,100,000, Ford Motor $696,900,000, Lockheed $657,500,000, Douglas Aircraft $592,800,000, McDonnell Aircraft $522,400,000.

OBITUARIES

James B. Bowler, 82, U.S. Rep. (D., Ill.) since 1953, previously Chicago alderman for more than 50 years; July 18 in Chicago.

Dr. Alfred Einstein Cohen, 78, research heart specialist for Rockefeller Inst. since 1920 who introduced use of electro-cardiogram; July 20 in New Milford, Conn.

Sacha (Alexandre Pierre Georges) Guitry, 72, French comic playwright, actor, producer, author of more than 150 plays, accused but later cleared of working with Nazis; July 24, Paris.

Curzio Malaparte (Kurt Erich Suckert), 59, Italian-German author of "Kaputt," "La Pella," ex-Facist jailed in 1933 for anti-Fascist activity, anti-Catholic who embraced Catholicism on deathbed; July 19 in Rome of lung cancer.

Dr. Peng Chun Chang, 65, Natl. Chinese delegate to UN 1945-52, Min. to Turkey 1940-42, Amb. to Chile 1942-44; July 19 in Nutley, N. J. of heart ailment.

W. Dean Robinson, 59, pres. 1945-52 Briggs Mfg. Co. (auto bodies), condemned in 1951 by Kefauver Com. for having given a scrap contract to Detroit racketeers in exchange for labor protection; July 20 in Detroit. [See Vol. XI, p. 150B]

Kenneth Lewis Roberts, 71, author of historical novels ("Northwest Passage," "Oliver Wiswell," "Capt. Caution," "Lydia Bailey"; July 21 in Kennebunkport, Me. [See p. 150E1]

Vice Adm. John Wilkes, 62, who trained 4,000-unit landing-craft fleet for World War II Normandy invasion, ex-cmndr. U.S. Atlantic Submarine Force; July 20 in Bethesda, Md.

SPORTS

Winners

Auto Racing: Stirling Moss of Britain, driving a British-built Vanwall, won the 270-mile European Grand Prix in Aintree, Eng. July 20. (It was the first time a British driver & car had won the premier British race.) . . . **Golf:** Lionel Herbert, 29, of Lafayette, La. won the 39th Natl. Professional Golfers Assn. title in Dayton, O. July 21, for $8,000. Meriam Bailey, 20, of Evanston, Ill. won the women's Western amateur golf title in Omaha July 20. . . . **Horse Racing:** Travis M. Kerr's Round Table, Willie Shoemaker up, won the $115,400 Westerner in Inglewood, Calif. July 20, for $69,300. Alfred G. Vanderbilt's Find, Ralph Neves up, won the $112,100 Sunset Handicap in Inglewood July 23, for $66,000. Leather Button, Jack Skelly up, won the $150,075 Arlington Futurity in Chicago July 20, for $104,875; Fred W. Hooper's Alhambra, Eddie Arcaro up, finished first but was disqualified because his stablemate, Olymar, bumped Sir Ruler. U.S. publisher Ralph Strassburger's French-bred Montaval, Fred Palmer up, won the King George VI & Queen Elizabeth Stakes in Ascot, Eng. July 20, for $64,652. Old Pueblo, Eddie Arcaro up, won the $87,400 Starlet Stakes in Inglewood July 18, for $49,000; Strong Ruler, Mel Peterson up, finished first but was disqualified for a foul in the stretch. Leo C. McNamara's Hoot Song, Ralph Baldwin driving, won the $57,812.50 Yonkers Stake Trot in Yonkers, N.Y. July 18, for $31,796.87. . . . **Tennis:** Pancho Gonzales, 29, of Los Angeles won all 5 of his matches, including a final July 21 victory over Lew Hoad, 22 [see p. 224G1], to win the Forest Hills (N.Y.) professional round-robin tournament, for $2,500 first prize & a $1,000 bonus. Frank Sedgman & Tony Trabert won the doubles. Althea Gibson, 29, of New York [see p. 224F-G1] & Vic Seixas, 33, of Philadelphia won the women's & men's national clay court singles titles, respectively, in River Forest, Ill. July 21. (Miss Gibson was the first Negro to win a major U.S. tennis title.) . . . **Track & Field:** Derek Ibbotson, 24, of Britain, set an unofficial world mile record of 3 min. 57.2 sec. in London July 19. 3 others who ran the mile in less than 4 min. in the same race: Ron Delany of Ireland (3 min. 58.8 sec.), Stanislav Jungwirth of Czechoslovakia (3 min. 58.1 sec.) & Ken Wood of Great Britain (3 min. 59.3 sec.). (Dan Waern of Sweden ran a mile in 3 min. 59.3 sec. in Stockholm July 19.) . . . **Yachting:** Charles

MISCELLANEOUS

Galindez Case. Dominican Amb.-to-U.S. Manuel A. De Moya announced July 20 that his Govt. had retained N.Y. atty. Morris L. Ernst & ex-N.Y. Supreme Court Justice William H. Munson to make a full-scale investigation of the disappearance of Dr. Jesus de Galindez. Each was to receive a $50,000 retainer & $50,000 for expenses. De Moya said his Govt. had "waived all power of censorship over . . . the results . . . whether favorable or unfavorable." But Ernst agreed not to issue a report if he withdrew due to lack of cooperation.

The Dominican Govt. also hired Tammany Hall publicist Sidney S. Baron at a $60,000 retainer to run a campaign for "achieving a generally better understanding" with Americans. Baron, who had handled N.Y. State Democratic publicity since 1951, was forced to resign that position July 24 under pressure from N.Y. Gov. Averell Harriman & N.Y. Mayor Robert F. Wagner.

It was reported that because of publicity given the Galindez case, there had been a big drop in the normally $7 million annual U.S. tourist business in the island republic.

A U.S. State Dept. statement issued May 29 charged that evidence had been uncovered to indicate a link between the disappearances of de Galindez & U.S. pilot Gerald Lester Murphy. It said the U.S. had informed the Dominican Govt. in a May 2 note that the name of Brig. Gen. Arturo E. Espaillat, ex-Dominican Consul General in New York, "had figured repeatedly in this investigation" and had requested that his diplomatic immunity be waived so that he might be questioned in the U.S. Espaillat returned to his own country 2 days later, and U.S. State Secy. John Foster Dulles revealed July 2 that the request had been refused. [See p. 119B2]

(Gen. Hector B. Trujillo, 49, was reelected Dominican pres. May 16 for a 2d 5-yr. term. Dr. Joaquin Balaguer was elected vice pres. Both had been unopposed.) [See Vol. XVI, p. 178F3]

Crime. Donald J. Wedler's confession July 15 in Deland, Fla. that he had killed Mrs. Marilyn Sheppard (for whose murder in 1954 her husband, Dr. Samuel Sheppard, was serving a life sentence) was called a hoax July 23 by James E. McArthur, ex-Cleveland chief of dectectives, who checked the confession. Wedler, an ex-convict & narcotics addict, had willingly submitted to a lie detector test which showed he had either committed or believed he had committed the crime. He was the 25th person to confess to the murder. [See Vol. XVI, p. 382E2] . . . Truck-driver J. D. Cantrell, 26, of Carlsbad, N. M. was shot dead by an unknown assailant July 23 as he stopped to change a flat tire for 2 women motorists. The killer then apparently kidnaped the women, Mrs. Barbara Lemmons & Mrs. Dorothy Gibson of Hobbs, N. M., killed them & dumped their bodies 35 mi. away. . . . Dr. William Knox Pursley, 32, assoc. prof. of physics at Georgia Tech, died in Atlanta July 20 after being beaten by 2 youths, who escaped . . . Dr. Theodore Sohler, 46, attacked his wife Dorothy, 34, with an ice pick July 20 in Hamden, Conn., then fatally shot himself. Sohler, a psychiatrist, recently had committed himself to a mental institution for psychiatric treatment. . . . Roy Barni, 29, Washn. pro football player, died July 22 in San Francisco of bullet wounds received July 21 when he tried to intercede in a quarrel.

Accidents & Disasters. 557 persons had been drowned this month in the worst floods ever recorded along the Yi, Shu & Yellow Rivers in China, according to reports July 23 by Peiping radio. Most of the fatalities occurred in southern Shantung Province. Honan, Anhwei & Kiangsu provinces also were affected. . . . 11 U.S. Navy men were killed July 19 when their twin-engine Neptune P2V crashed in the Italian Dolomites in a heavy rain. A 2d U.S. Navy Neptune bomber, searching for the one lost July 19, crashed into a mountainside near Turin July 21, killing 9 of 10 crewmen.